

Survey of Recipient's Management Systems

Applicants for assistance under EPA agreements are required to have an adequate financial management systems and procedures which provide efficient and effective accountability and control of all property, funds, and assets related to the agreement. This survey indicates the accounting standards that EPA considers basic to adequate financial management.

Completion of this survey is optional.

First-time applicants - We request that you complete and submit this survey with your application package to help determine whether their present systems can meet these requirements.

All other applicants - We recommend you complete and submit this survey each time you apply for EPA assistance.

Please mark each of these questions, **YES, NO, or N/A**,

NAME OF APPLICANT: _____

Accounting

- | | | |
|-------|----|---|
| _____ | 1) | Have project accounting records been established to record the costs applicable to the EPA agreement and other direct activities? |
| _____ | 2) | Are all costs of a project posted to these records? Are the records used as the basis for vouchers and Financial Status Reports submitted to EPA? |
| _____ | 3) | Before posting, are costs reviewed for reasonableness, allowability, and allocability to the project? |
| _____ | 4) | Are project accounts broken into subaccounts by program element or cost objective? |
| _____ | 5) | Is appropriate documentation maintained to support the costs of: |
| _____ | a) | personnel? |
| _____ | b) | fringe benefits? |
| _____ | c) | travel? |
| _____ | d) | purchases of material, supplies, and equipment? |
| _____ | e) | consultants? |
| _____ | f) | other costs? |
| _____ | 6) | Are costs posted in these records reflected on and reconciled with control accounts contained in the general ledger? |
| _____ | 7) | Are accounting records subjected to an independent audit at least every two years? |

Personnel

- _____ 8) Do personnel and/or payroll records support the time and attendance, leave, and earnings for all employees?
- _____ 9) Are time distribution records maintained to show the amount of time spent on each project covered under the agreement, as well as time spent on other projects? (These records are required for all personnel spending less than full time on an individual project).
- _____ 10) Are there controls to assure that personnel costs are distributed in accordance with the time distribution records?
- _____ 11) Are there established procedures to govern the charges of personnel time related to partners or principals in closely held corporations?
- _____ 12) Are there formal procedures regarding bonuses, retirement plans, and/or profit sharing?

Travel

- _____ 13) Are there established policies to govern reimbursement for travel?
- _____ 14) Do these policies require travel vouchers to be submitted which:
 - _____ a) show the time and purpose of the travel?
 - _____ b) clearly indicate the nature of expenses being claimed?
 - _____ c) require the submission of supporting documentation?

Procurement

- _____ 15) Are there established procedures to assure that professional services, equipment, material, and/or supplies requested are really needed?
- _____ 16) Are existing supplies or inventories reviewed to assure that requested items are not already available?
- _____ 17) Are there formal procurement procedures to assure that equipment, material, and supplies are obtained on a competitive basis?
- _____ 18) Are there procedures to assure that the type of contract utilized is appropriate for the procurement being undertaken?
- _____ 19) Are there controls to assure that types of contracts unacceptable to the Federal Government are not utilized?
- _____ 20) Are Minority and Women Owned Businesses included in solicitations?
- _____ 21) Are solicitations obtained from several sources to assure that the most qualified party is selected?

- _____ 22) Are quotations reviewed to assure that the proposed price is reasonable to the contractor, the recipient, and EPA?
- _____ 23) Are internal controls utilized to assure that contracts contain all required clauses:
- _____ a) access to records
- _____ b) ownership of data
- _____ c) termination
- _____ d) applicable cost principles
- _____ e) defective pricing

Obligations

- _____ 24) Are there procedures to assure that reported obligations are supported by purchase orders, contracts, etc.?
- _____ 25) Do these procedures require that obligations are periodically reviewed with regard to their validity?
- _____ 26) Do these procedures require the timely liquidations of obligations?

Indirect Costs

If indirect costs are claimed under this agreement:

- _____ 27) If the indirect cost rate is negotiated with a Federal Agency, a copy of the negotiated agreement must be sent to Grants Administration Unit.

Current rate proposal has been approved _____ pending _____.

- _____ 28) If the indirect cost rate is not negotiated with a Federal agency:
- _____ a) Is there a cost allocation plan to indicate which costs are considered direct costs as opposed to indirect costs?
- _____ b) Are unallowable costs separately identified and/or excluded from the indirect cost proposal?
- _____ c) Are items of the same nature which are charged as direct costs excluded from the indirect cost proposal?
- _____ d) Are indirect costs accumulated in more than one pool?

A copy of the cost allocation plan may be requested.

I certify that the answers to these questions accurately reflect the management systems.

Signature

Date